

# SENATE BILL 498

Q3

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CF HB 369

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By: **Senator Gile**

Introduced and read first time: January 24, 2024

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Senior Tax Credit – Alterations**

3 FOR the purpose of altering the calculation of a certain credit against the State income tax  
4 for certain residents who are at least a certain age; and generally relating to an  
5 income tax credit for seniors.

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – General  
8 Section 10–754  
9 Annotated Code of Maryland  
10 (2022 Replacement Volume and 2023 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
12 That the Laws of Maryland read as follows:

13 **Article – Tax – General**

14 10–754.

15 (a) In this section, “eligible taxpayer” means a resident who, on the last day of the  
16 taxable year, is at least 65 years old.

17 (b) Except as provided in subsection (c) of this section and subject to subsection  
18 (d) of this section, an eligible taxpayer may claim a credit against the State income tax in  
19 an amount equal to:

20 (1) **[\$1,000]** for an eligible taxpayer, other than an individual described  
21 under item (2) of this subsection[, whose federal adjusted gross income does not exceed  
22 \$100,000; or]:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (I) **\$1,250, IF THE ELIGIBLE TAXPAYER'S FEDERAL ADJUSTED**  
 2 **GROSS INCOME DOES NOT EXCEED \$75,000; OR**

3 (II) **\$1,000, IF THE ELIGIBLE TAXPAYER'S FEDERAL ADJUSTED**  
 4 **GROSS INCOME EXCEEDS \$75,000 BUT DOES NOT EXCEED \$100,000; OR**

5 (2) for spouses filing a joint return or for a surviving spouse or head of  
 6 household as defined in § 2 of the Internal Revenue Code [whose federal adjusted gross  
 7 income does not exceed \$150,000]:

8 (i) except as provided in item (ii) of this item[, \$1,750; or]:

9 1. **\$2,000, IF THE ELIGIBLE TAXPAYER'S FEDERAL**  
 10 **ADJUSTED GROSS INCOME DOES NOT EXCEED \$125,000; OR**

11 2. **\$1,750, IF THE ELIGIBLE TAXPAYER'S FEDERAL**  
 12 **ADJUSTED GROSS INCOME EXCEEDS \$125,000 BUT DOES NOT EXCEED \$150,000; OR**

13 (ii) if only one of the individuals filing the joint return is an eligible  
 14 taxpayer[, \$1,000]:

15 1. **\$1,250, IF THE ELIGIBLE TAXPAYER'S FEDERAL**  
 16 **ADJUSTED GROSS INCOME DOES NOT EXCEED \$125,000; OR**

17 2. **\$1,000, IF THE ELIGIBLE TAXPAYER'S FEDERAL**  
 18 **ADJUSTED GROSS INCOME EXCEEDS \$125,000 BUT DOES NOT EXCEED \$150,000.**

19 (c) For a taxable year in which the September General Fund estimate for the  
 20 current fiscal year in the September Board of Revenue Estimates report issued during the  
 21 taxable year is more than 7.5% below the March General Fund estimate for the current  
 22 fiscal year in the March Board of Revenue Estimates report issued in the taxable year, the  
 23 amount of the credit allowed under subsection (b) of this section is limited to:

24 (1) **[\$500] \$750** for an eligible taxpayer, other than an individual described  
 25 under item (2) of this subsection, whose federal adjusted gross income is at least **[\$50,000]**  
 26 **\$75,000** but does not exceed \$100,000; or

27 (2) for spouses filing a joint return or for a surviving spouse or head of  
 28 household as defined in § 2 of the Internal Revenue Code whose federal adjusted gross  
 29 income is at least **[\$100,000] \$125,000** but does not exceed \$150,000:

30 (i) except as provided in item (ii) of this item, **[\$875] \$1,000**; or

31 (ii) if only one of the individuals filing the joint return is an eligible  
 32 taxpayer, **[\$500] \$750**.

1           (d)    If the credit allowed under this section in any taxable year exceeds the State  
2 income tax for that taxable year, the unused amount of the credit may not be carried over  
3 to any other taxable year.

4           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
5 1, 2024, and shall be applicable to all taxable years beginning after December 31, 2023.